Approved For Release 200 P: SECRET975A06500190001-9

25X1

24 July 1962

Copy No. C Q4

# CENTRAL

# INTELLIGENCE

# BULLETIN



25X1

State Dept. review completed

GROUP I
Excluded from automatic downgrading
and declassification

24 July 1962

### CENTRAL INTELLIGENCE BULLETIN

#### CONTENTS

- 1. USSR-Berlin: Moscow making new efforts to show that West has record of intransigence on Berlin issue. (Page 1)
- 2. France: Spanish authorities liberate six OAS extremists. (Page 11)
- 3. Algeria: Ben Bella challenges PAG by formation of seven-man political bureau to assume "national responsibilities." (Page 111)
- 4. Yugoslavia: Shake-up of institutions to include trade union federation and key administrative elements of Communist party. (Page 1v)

- 6. Dahomey: President Maga claims to have received firm promise of financial aid from USSR and Czechoslovakia. (Page v)
- 7. Britain-EEC: Talks open today in atmosphere of apprehension. (Page vt)

# CENTRAL INTELLIGENCE BULLETIN

24 July 1962

# DAILY BRIEF

<u>USSR-Berlin</u>: The Soviet Union appears intent on creating an impression of Western intransigence on the Berlin issue by playing up alleged "provocative action" of West Berliners and the negative attitude of the United States toward various Soviet proposals for the withdrawal of Western troops from West Berlin. Soviet leaders are apparently hoping to provide a justification for any future moves they may plan against the Western position in Berlin.

According to TASS, <u>Pravda</u> on 23 July, using the harsh tone characteristic of recent Soviet statements, accused the US occupation forces in West Berlin of encouraging the West Berlin police in their "criminal activities" against East Germany. <u>Pravda</u> noted that such "provocative actions" make a peace treaty "more imperative." <u>Pravda</u> claimed that the US position has remained rigid and that fulfillment of "certain hopes" which have been placed in the Rusk-Gromyko talks in Geneva will depend on whether the "Western powers revise their position or continue to resort to threats."

Moscow may be preparing for a new round of harassment of Allied access in order to bring pressure on the West to modify its basic position on troop presence in Berlin. The Soviet Union will probably be careful, however, not to undertake a unilateral action which poses a direct challenge to the West. Recent statements warning against the consequences of S-Bahn incidents within West Berlin suggest the likelihood of some move against rail access; the Communists may also step up harassment of Allied air traffic in the corridors.

France: The six French rightist leaders freed by Spain on 23 July are identified with the extreme activist wing of the Secret Army Organization (OAS). The six include the leaders of the 1960 Algiers 'barricades" insurrection who fled to Spain and were placed in enforced residence in the Canary Islands. They can be expected either to try to join the OAS groups headed by Bidault and Soustelle in Italy, Switzerland, and elsewhere, or to direct operations of their own OAS groups within France.

25X1

25X1

have recently expressed concern over the influx of OAS assassins among the legitimate refugees from Algeria.

the primary objective of individual and organized OAS extremists during the next few months will be the assassination of De Gaulle.T

25X1

24 July 62

DAILY BRIEF

ii

25X1

Algeria: Ben Bella's formation of a seven-man political bureau on 22 July to assume "national responsibilities" is the most direct challenge so far to the authority of Premier Ben Khedda and the PAG. Ben Bella, who appears to have been gaining in prestige, probably hopes to use this bureau to select the candidates for the constituent assembly, scheduled to convene on 12 August, which would ultimately appoint the first Algerian government.

This move has been denounced as illegal, however, by PAG Vice Premier Belkacem Krim, who commands the personal loyalty of most of those troops of the Algerian National Army (ALN) who are considered loyal to the PAG. The tone of Ben Bella's announcement suggests that he is prepared for a showdown with the PAG. The US consul at Oran, who visited Ben Bella at Tlemcen last week, commented that Ben Bella is in full control of his entourage. Surrounded by ex-PAG officials such as Ferhat Abbas, Ahmed Francis, Ahmed Boumendjel, and a large staff, he has a government-in-waiting that could take over intact.

The reported resignation on 23 July of PAG Foreign Minister Dahlab and Information Minister Yazid will further weaken the Ben Khedda faction.

25X1

24 July 62

25X1

DAILY BRIEF

iii

Yugoslavia: The shake-up of Yugoslavia's governing institutions will be extended to the trade union federation and apparently to key administrative elements in the Communist party, according to an official summary of a speech delivered by politburo member Rankovic to the central committee on 22 July. In the past two months, the federal government and the regime's mass-political organization (SAWPY) have already been reorganized, as have the executive councils of the country's six republics.

The regime hopes by these steps to overcome the indiscipline and complacency of party and government officials which have in part been responsible for recent economic failures. No important personalities have been purged, but a substantial portion of the leadership has been reassigned and there has been a redistribution of the functions of various governing bodies.

The regime also is attempting to limit the number of posts an individual can hold in order to make room for new blood. Rankovic reiterated that provision for orderly rotation of governmental personnel will be included in the new constitution which will be published for public discussion this fall. Although Rankovic berated both bureaucratic and liberal attitudes in the party, he ridiculed suggestions by "certain quarters abroad" that Yugoslavia was retreating from its policy of decentralization.

Dahomey: According to the US Embassy in Cotonou, President Maga claims to have received a "firm promise of \$20,000,000 from the USSR and \$8,000,000 from Czechoslovakia with no strings attached." The offer was made to a Dahomey good-will mission, and the President admits he has nothing in writing. Maga told the French ambassador in Cotonou on 19 July that he planned "to wait and see what develops" despite the ambassador's advice that the offer would probably turn out to be a disappointing credit and not a loan.

The French are increasingly reluctant to underwrite Dahomey's chronically faltering economy, and Maga may find it difficult to reject any aid offer, although he would prefer a cash loan. The US ambassador feels that if Maga accepts the offer, he may permit the establishment of Soviet and Czech embassies in Dahomey, despite his earlier assertion that this would not happen until Dahomey could afford to reciprocate.

25X1

24 July 62

DAILY BRIEF

v

Common Market - Britain: The UK-EEC accession talks opened in Brussels today in an atmosphere of apprehension, despite the compromise reached last week at the special meeting on Britain's domestic agriculture. According to the British ambassador to Washington, Britain is willing to continue the discussions into next week because it considers this round of talks "about the last chance" to advance the negotiations before Macmillan reports on 10 September to the conference of Commonwealth prime ministers, who could not be reassembled at a later date without "real difficulties."

The ambassador stressed that the main problem remains Britain's request for market assurances for Commonwealth exports of temperate zone products. He implied that known US objections to continuation of Commonwealth preferences were being used by some of the Six to resist London's demands. Similar points were made by Foreign Secretary Lord Home in a conversation with Secretary Rusk in Geneva on 21 July during which he said Britain might soon have to send an "SOS" to Washington. Home said that London would have to be in a position to assure the Commonwealth countries they would be "no worse off" after Britain entered the Common Market.

Ambassador Butterworth reports several recent indications that the long-dormant question of reconciling sterling area relationships with the monetary provisions of the EEC treaty may be raised at some critical point. While Continental financial and banking officials have long felt there might be far-reaching monetary implications in British accession to the EEC, they have heretofore been most reluctant to raise such issues until the UK is actually an EEC member.

25X1

24 July 62

25X1

DAILY BRIEF

vi

```
THE PRESIDENT
```

The Vice President

Executive Offices of the White House

Special Counsel to the President

Military Representative of the President

The Special Assistant for National Security Affairs

The Scientific Adviser to the President

The Director of the Budget

The Director, Office of Emergency Planning

The Director, National Aeronautics and Space Administration

#### The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Counselor and Chairman of the Policy Planning Council

The Director of Intelligence and Research

#### The Treasury Department

The Secretary of the Treasury

The Under Secretary of the Treasury

## The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Assistant Secretary of Defense (International Security Affairs)

The Assistant Secretary of Defense

The Chairman, The Joint Chiefs of Staff

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Chief of Staff, United States Army

Commandant, United States Marine Corps

U.S. Rep., Military Committee and Standing Group, NATO

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Director, Defense Intelligence Agency

The Director, The Joint Staff

The Director for Intelligence, The Joint Staff

The Assistant Chief of Staff for Intelligence, Department of Army

The Director of Naval Intelligence, Department of Navy

The Assistant Chief of Staff, Intelligence, Department of the Air Force

## The Department of Justice

The Attorney General

The Federal Bureau of Investigation

The Director

The Atomic Energy Commission

The Chairman

The National Security Agency

The Director

The United States Information Agency

The Director

The National Indications Center

The Director

Approved For Release 2008 P: SEGRE 1975A006600190001-9

#### THE PRESIDENT

The Vice President

Executive Offices of the White House

Special Counsel to the President

Military Representative of the President

The Special Assistant for National Security Affairs

The Scientific Adviser to the President

The Director of the Budget

The Director, Office of Emergency Planning

The Director, National Aeronautics and Space Administration

#### The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Counselor and Chairman of the Policy Planning Council

The Director of Intelligence and Research

#### The Treasury Department

The Secretary of the Treasury

The Under Secretary of the Treasury

#### The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Assistant Secretary of Defense (International Security Affairs)

The Assistant Secretary of Defense

The Chairman, The Joint Chiefs of Staff

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Chief of Staff, United States Army

Commandant, United States Marine Corps

U.S. Rep., Military Committee and Standing Group, NATO

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Director, Defense Intelligence Agency

The Director, The Joint Staff

The Director for Intelligence, The Joint Staff

The Assistant Chief of Staff for Intelligence, Department of Army

The Director of Naval Intelligence, Department of Navy

The Assistant Chief of Staff, Intelligence, Department of the Air Force

#### The Department of Justice

The Attorney General

The Federal Bureau of Investigation

The Director

The Atomic Energy Commission

The Chairman

The National Security Agency

The Director

The United States Information Agency

The Director

The National Indications Center

The Director

Approved For Release 2010 P7 : **SEGRE 1**0975A006300190001-9